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8 UNITED STATES BANKRUPTCY COURT
9 NORTHERN DISTRICT OF CALIFORNIA

10 In re:
11 THE PALACE AT WASHINGTON
12 SQUARE LLC, a California corporation,
13 Debtor.

Case No. 23-30519-DM-11

Chapter 11, Subchapter V

**DEBTOR'S OPPOSITION TO
MECHANICS BANK'S MOTION FOR
RELIEF FROM THE AUTOMATIC STAY**

Date: September 14, 2023

Time: 9:30 am

Place: By video via Zoom or by telephone via
AT&T conference call

Honorable Dennis Montali

18 COMES NOW THE PALACE AT WASHINGTON SQUARE LLC, Debtor in Possession
19 herein (the "Debtor" or "TPAWS"), opposing Mechanics Bank's Motion (A) for Relief from the
20 Automatic Stay to Proceed with State Court Litigation filed on August 11, 2023 (Docket No. 21);
21 and (B) for Annulment of the Automatic Stay Effective as of July 31, 2023, and respectfully
22 represents as follows:
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- 24 1. The within case...
- 25 2. The Motion requests relief from the automatic stay to permit an award of attorney's
26 fees to be entered in a state-court proceeding in the amount of \$645,271.21.
- 27 3. Relief from the automatic stay is unnecessary because the claim of Mechanics Bank
28 is not disputed. On its Schedule E/F, the Debtor lists a claim in the amount of \$645,271.21 in favor

1 of Mechanics Bank (among other claims), which claim is not marked as disputed, unliquidated, or
2 contingent.

3 4. For the same reason, there are no grounds for annulling the automatic stay. Allowing
4 the award to be entered would be duplicative of Mechanics Bank's undisputed claim. To the extent
5 that entry of the award would do anything more than fix the claim amount, such additional relief
6 should be barred by the automatic stay as it would interfere with the Court's exclusive power to
7 manage claims.

8 Dated: September 9, 2023

/s/ Reno Fernandez

Reno Fernandez

Counsel for Debtor in Possession,

The Palace at Washington Square LLC